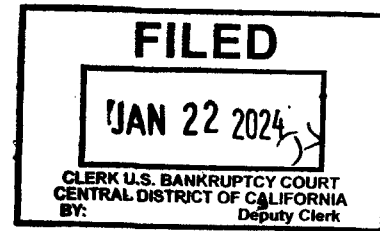


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4 *In pro per*

6 **UNITED STATES BANKRUPTCY COURT**  
7 **CENTRAL DISTRICT OF CALIFORNIA**  
8 **LOS ANGELES DIVISION**

9  
10 **In re** ) **Case No. 2:23-bk-10990-SK**  
11 **LESLIE KLEIN,** )  
12 **Debtor.** ) **Chapter 11**  
13 ) **MOTION TO CONVERT THIS CHAPTER**  
14 ) **11 CASE TO CHAPTER 7;**  
15 ) **MEMORANDUM OF POINTS AND**  
16 ) **AUTHORITIES AND DECLARATION OF**  
17 ) **LESLIE KLEIN IN SUPPORT THEREOF**  
18 ) **Date: February 14, 2024**  
19 ) **Time: 9:00 a.m.**  
20 ) **Place: Courtroom 1575**  
21 )  
22 )  
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28 )

1 Leslie Klein (the “**Debtor**” or “**Klein**”), the debtor in this bankruptcy case, respectfully  
2 moves the Court on his Motion to Convert this Chapter 11 Case to Chapter 7 (the “**Motion**”),  
3 which requests conversion of this Chapter 11 case to Chapter 7. The Chapter 11 Debtor is defunct  
4 and is not operating a business. The Debtor has no ongoing or continuing business operations. The  
5 continued use of Chapter 11 cannot be justified here as an attempt to rehabilitate.

6 Generally, a chapter 7 trustee would administer this estate going forward in a more cost-  
7 effective manner than a chapter 11 trustee, and chapter 7 administrative fees would take a priority  
8 over those of chapter 11. Section 1112(b)(1) of the Bankruptcy Code provides that a court “shall”  
9 (which Congress in 2005 changed from “may”) convert a case from Chapter 11 to Chapter 7 for  
10 cause. A non-exclusive illustrative list of what constitutes cause is set out in Section 1112(b)(4).  
11 Here, the first example on that list -- “substantial or continuing loss to or diminution of the estate  
12 and the absence of a reasonable likelihood of rehabilitation” -- comfortably fits the facts herein.  
13 Moreover, the lack of any overarching reason not to convert to chapter 7 does not exist, and once  
14 conversion occurs the Debtor would be entitled to any income he earns, further support  
15 conversion.

16 The Motion is based upon the concurrently filed Notice, this Motion, the attached  
17 Memorandum of Points and Authorities, the Declaration of Leslie Klein, the pleadings on file in  
18 this case, and upon such other evidence as may properly be presented to the Court at the hearing.

19 Wherefore, the Debtor respectfully requests that the Court approve the Motion and convert  
20 the case to chapter 7.

21  
22 DATED: January 18, 2024

23  
24 By:    
25 LESLIE KLEIN  
26 *In pro per*  
27  
28

**MEMORANDUM OF POINTS AND AUTHORITIES**

**I.**

**INTRODUCTION**

Through this Motion, Leslie Klein (the “**Debtor**” or “**Klein**”), the debtor in this bankruptcy case, respectfully moves the Court on his Motion to Convert this Chapter 11 Case to Chapter 7 (the “**Motion**”), and thus requests conversion of this Chapter 11 case to Chapter 7. The Chapter 11 Debtor is defunct and is not operating a business. The Debtor has no ongoing or continuing business operations. The continued use of Chapter 11 cannot be justified here as an attempt to rehabilitate.

The Debtor alleges that the only significant assets that the bankruptcy estate has to pay its creditors are real estate interests owned by the Debtor, potential payments on insurance policies the Debtor may have an interest in through Life Capital Group (“**LCG**”) which is 25% owned by the Debtor, and avoidance actions and claims that may be made on behalf of the Debtor. Brad Sharp has already been appointed as the chapter 11 trustee (“**Trustee**”) in the bankruptcy case as cause has already been found by the Court for appointment of a trustee or conversion to chapter 7, and he is pursuing the liquidation of these assets. All can equally be accomplished in a chapter 7 bankruptcy case. The only other significant asset that the Debtor’s estate possesses is that of the law practice of the Debtor, Les Klein & Associates, Inc. (“**LKA**”), which is not in bankruptcy and is the primary source of employment and revenue for the Debtor to pay his living expenses. The Trustee cannot practice law and run LKA. Further, the Debtor could merely resign from LKA, and either practice law at another law firm or start a new law firm. Further, any claims the Trustee may have against LKA would remain for the Trustee to pursue after conversion to chapter 7. The continued use of Chapter 11 cannot be justified here as a plan of reorganization is highly unlikely at this point in time.

The Debtor is the subject of six (6) nondischargeability complaints by his various creditors. Those complaints can proceed just as expeditiously in chapter 7 as in chapter 11. The continued use of Chapter 11 cannot be justified here.

**The Trustee who has been appointed in chapter 11, and who has conducted a significant investigation of the Debtor can continue to be the trustee in chapter 7. The Office of the United States Trustee (“UST”) has the discretion of who to appoint as chapter 7 trustee in converted cases, and one would assume that the same trustee would be appointed given his experience in the bankruptcy case.**

Generally, a chapter 7 trustee would administer this estate going forward in a more cost-effective manner than a chapter 11 trustee, and chapter 7 administrative fees would take a priority over those of chapter 11. Section 1112(b)(1) of the Bankruptcy Code provides that a court “shall” (which Congress in 2005 changed from “may”) convert a case from Chapter 11 to Chapter 7 for cause. A non-exclusive illustrative list of what constitutes cause is set out in Section 1112(b)(4). Here, the first example on that list -- “substantial or continuing loss to or diminution of the estate and the absence of a reasonable likelihood of rehabilitation” -- comfortably fits the facts herein. Moreover, the lack of any overarching reason not to convert to chapter 7 does not exist, and once conversion occurs the Debtor would be entitled to any income he earns, further support conversion.

## II.

## RELEVANT BACKGROUND

The Debtor, a 76 year old attorney is a practicing orthodox Jew very involved in that community, who has throughout his career primarily practiced in the trusts and estates area of the law. Through a successful career, the Debtor set up many trusts and estate plans for his clients. In addition, for many clients in which he served as a trustee of their trust, he managed the assets of the trust and invested them in a number of valuable assets including insurance policies. This bankruptcy case was commenced on February 22, 2023, primarily due to a number of lawsuits commenced against the Debtor regarding the administering of his trustee duties, and also pending foreclosure actions on his real property. Further, the chapter 11 petition was filed to stop various creditors from collecting on judgments as they had perfected liens during the preference period on the Debtors real estate, to appeal disputed State Court judgments, and to file an adversary

1 proceeding to stop an avoidable preference in favor of a creditor, to enable all creditors to be paid  
2 equally.

3 On April 24, 2023, creditors Erica and Joseph Vago filed a Motion for Order Dismissing  
4 Debtor's Chapter 11 Bankruptcy Case (the "**Motion to Dismiss**") [Docket No. 79].

5 On May 17, 2023, at a hearing held on the Motion to Dismiss, the Court ruled that the  
6 appointment of a chapter 11 trustee, and not dismissal of the case, was in the best interests of the  
7 estate. Moreover, the Court ruled and found cause to either appoint a chapter 11 trustee or convert  
8 to chapter 7. At that hearing the Court ruled that:

9 THE COURT: So I've already found cause. There's cause to dismiss, convert or  
10 appoint a Chapter 11 trustee or an examiner. Dismissal is not going to be granted  
11 because all parties who are unsecureds need to be in the same position and given  
12 the Vagos' filing of the abstract within 90 days, those abstracts could potentially be  
13 avoided. And I hear Mr. Goe's frustration in terms of you took the laboring oar,  
14 you did all the work. That's true, but that being said the Court has to look at  
15 what's in the best interests of all creditors in the estate, not just one creditor.

16 So dismissal is not going to be authorized and appointment of an examiner is not  
17 going to be authorized because this case screams out for the Bankruptcy Code, the  
18 structure of it, and a trustee to be in place and handling everything that's going on  
19 and trying to figure out what has and, more importantly, hasn't been disclosed and  
20 what assets are available to potentially liquidate and be used to pay creditors'  
21 claims.

22 So the only issue that the Court believes is currently before it is whether or not a  
23 Chapter 11 or a Chapter -- or conversion to 7 and a Chapter 7 trustee is appropriate.

24 From what Mr. Maroko says, all parties here will have a potential say in who the  
25 Chapter 11 trustee would be. In contrast, in a Chapter 7 case nobody has a say  
26 because the Chapter 7 trustee is just automatically appointed off of the wheel. So I  
27 do see benefit to appointing a Chapter 11 trustee. It could also be a Chapter 11  
28 trustee with experience in ferreting out any type of misconduct or fraud or hidden  
assets when, again, when a Chapter 7 trustee is appointed, it's whomever is the next  
one up on the Chapter 7 wheel.

**And if the Chapter 11 trustee believes that there's no chance of  
reorganization, which appears potentially highly likely, given the debtor has  
negative \$35,000 in income each month, then my understanding -- and Mr.  
Maroko, please correct me if I'm wrong -- the Chapter 11 Trustee can seek to  
convert. And at that point, the same trustee, who was appointed as an 11,  
would maintain -- would stay on as the Chapter 7 trustee. Is that correct?**

1 MR. MAROKO: **That is mostly correct.** The -- still, discretion remains with the  
2 United States Trustee on the conversion, but my experience is seeing that it usually  
3 ends up being the same person. But it -- ultimately the decision is that of Mr.  
4 Anderson.

4 THE COURT: Okay. All right. **So based upon my analysis, again, I find**  
5 **there's cause to dismiss, convert or appoint a Chapter 11 trustee or an**  
6 **examiner.** And I find that it will be in the best interests of all creditors and the  
7 estate to appoint a Chapter 11 trustee.

6 (Transcript, page 18-20) (emphasis added) Attached hereto and incorporated herein by this  
7 reference as Exhibit "A" is a copy of the relevant portions of the March 17, 2023 Court transcript  
8 "Court Transcript").

9 On May 23, 2023, the UST filed a Notice of Appointment of Chapter 11 Trustee [Docket  
10 No. 151].

11 On May 24, 2023, the UST Filed an Application for Order Approving Appointment of  
12 Trustee and Fixing Bond [Docket No. 154], approved by order entered the same day [Docket No.  
13 155]. On that same day, the Trustee accepted his appointment [Docket No. 156].

14 **The Debtor is the subject of six (6) nondischargeability complaints by his various**  
15 **creditors. Those complaints can proceed just as expeditiously in chapter 7 as in chapter 11.**  
16 **The continued use of Chapter 11 cannot be justified here.**

17 The Debtor alleges that the only significant assets that the bankruptcy estate has to pay its  
18 creditors are real estate interests owned by the Debtor, potential payments on insurance policies  
19 the Debtor may have an interest in through LCG which is 25% owned by the Debtor, and  
20 avoidance actions and claims that may be made on behalf of the Debtor. Brad Sharp has already  
21 been appointed as the Trustee in the bankruptcy case as cause has already been found by the Court  
22 for appointment of a trustee or conversion to chapter 7, and he is pursuing the liquidation of these  
23 assets. All can equally be accomplished in a chapter 7 bankruptcy case. The only other significant  
24 asset that the Debtors estate possesses is that of the law practice of the Debtor, LKA which is not  
25 in bankruptcy and is the primary source of employment and revenue for the Debtor to pay his  
26 living expenses. The Trustee cannot practice law and run LKA. Further, the Debtor could merely  
27 resign from LKA, and either practice law at another law firm or start a new law firm. Further, any  
28 claims the Trustee may have against LKA would remain for the Trustee to pursue after conversion

1 to chapter 7. The continued use of Chapter 11 cannot be justified here as a plan of reorganization is  
2 highly unlikely at this point in time.

3 The Debtor owns a 25% membership interest in LCG, which is subject to  
4 competing creditor claims. LCG is in the business of investing in life insurance policies and,  
5 from time to time, receives benefits from such policies. To the extent LCG is required to make  
6 any payments to the Debtor LCG has already entered into a stipulation with the Trustee regarding those  
7 payments.

8 The Trustee has filed approximately fifteen (15) Motions for Rule 2004 Examinations of  
9 financial institutions and other entities in his search for relevant information and documents to  
10 proceed with claims against third parties on behalf of the bankruptcy estate. Those  
11 examinations can proceed just as expeditiously in chapter 7 as in chapter 11. The continued use  
12 of Chapter 11 cannot be justified here.

13 Further, the Debtor has no business operations other than having an “interest” in LKA and  
14 LCG. **Conversion to chapter 7 would not change the estate’s interests in those interests and**  
15 **claims. The continued use of Chapter 11 cannot be justified here.**

16 The Debtor has just recently substituted in new experienced bankruptcy counsel (July 24,  
17 2023), and based upon the Trustee’s Response and the need for new counsel to the Debtor to have  
18 adequate time to evaluate the Motion, the Debtor also requests that the Court continue this matter,  
19 for new counsel to better evaluate the Motion, and allow the Debtor to make an adequate response  
20 to the Application.

21 On or about June 15, 2023, Klein’s then counsel Eric Olson (“**Olson**”), who had just been  
22 recently retained on May 23, 2023 substituted in as counsel for Klein (Doc #150 in main case)  
23 requested a 30-day extension to respond to the Complaint, and represented that the Defendant  
24 needed time to retain experienced bankruptcy counsel for the adversary proceeding

25 In connection with the Complaint, the Plaintiff hired experienced competent bankruptcy  
26 counsel (Michael Kogan of the Kogan Law Firm, APC – who substituted in on July 24, 2023). Mr.  
27 Kogan is extremely familiar with both the issues in this adversary proceeding, and the rules and  
28 procedures of this Court to enable the adversary proceeding to proceed in a normal manner.

1 On July 24, 2023, the day Mr. Kogan substituted in as counsel,  
2 Simply, the continued use of Chapter 11 cannot be justified.

3 **III.**

4 **ARGUMENT**

5 Section 1112(b)(1) of the Bankruptcy Code provides for mandatory conversion or  
6 dismissal of a Chapter 11 case to Chapter 7 upon a showing of cause:

7 Except as provided in paragraph (2) and subsection (c), on request of a party in  
8 interest, and after notice and a hearing, the court shall convert a case under this  
9 chapter to a case under chapter 7 or dismiss a case under this chapter, whichever is  
10 in the best interests of creditors and the estate, for cause unless the court determines  
11 that the appointment under section 1104(a) of a trustee or an examiner is in the best  
12 interests of creditors and the estate.  
13 11 U.S.C. § 1112(b)(1).

14 Significantly, in 2005, Congress modified this section to direct that if cause is shown the  
15 court “shall” convert rather than the prior formulation that if cause was shown the court “may”  
16 convert. 11 U.S.C. § 1112, Pub.L. 109-8, Title IV, § 442(a), Title XV, § 1501, Apr. 20, 2005, 119  
17 Stat. 115, 216.

18 Section 1112(b)(4), in turn, provides a non-exhaustive list of what constitutes cause.  
19 See In re C-TC 9th Ave. P'ship, 113 F.3d 1304, 1311 (2d Cir. 1997) (“It is important to note that  
20 this list is illustrative, not exhaustive.”) (quoting the statute’s legislative history stating that “‘the  
21 list [contained in § 1112(b)] is not exhaustive. The Court will be able to consider other factors as  
22 they arise, and to use its equitable powers to reach an appropriate result in individual cases.’ House  
23 Report No. 95–595, 95th Cong., 1st Sess. at 405–6, U.S.Code Cong. & Admin.News 1978, pp.  
24 5787, 6363–64”). “Accordingly, courts have also determined that conversion or dismissal of a  
25 Chapter 11 case is warranted for other reasons.” In re Babayoff, 445 B.R. 64, 76 (Bankr.  
26 E.D.N.Y. 2011).

27 Once the court determines that cause has been shown, it “has no choice, and no discretion,  
28 and must dismiss or convert the Chapter 11 case.” Lynch v. Barnard, 590 B.R. 30, 36 (E.D.N.Y.  
2018), *aff’d sub nom. In re Lynch*, 795 Fed. Appx. 57 (2d Cir. 2020) (internal citations omitted).  
“Once a party establishes cause, a court must examine whether dismissal or conversion of a case



1 under chapter 7 is in the best interests of the creditors and the estate.” In re BH S & B Holdings,  
2 LLC, 439 B.R. 342, 346 (Bankr. S.D.N.Y. 2010).

3 Therefore, “[t]he Court will apply a two-step analysis in determining whether to dismiss or  
4 convert this case. First, it will consider whether “cause” exists for relief under the statute. If it  
5 does, the Court will determine whether dismissal or conversion of the case is in the best interest of  
6 the creditors and the estate.” In re Kuvykin, 18-10760 (JLG), 2019 WL 989414, at \*5 (Bankr.  
7 S.D.N.Y. Feb. 26, 2019) (quotations omitted).

8 **A. Cause Exists for Conversion to Chapter 7.**

9 Here, cause exists to convert the Debtors’ chapter 11 case to chapter 7 because (a) the  
10 Debtors’ negative cash flow is depleting the Debtors’ estate and there is no reasonable likelihood  
11 that the defunct Debtor will “rehabilitate;” (b) the Debtor is defunct and incapable of emerging as  
12 an operating entity; (c) the purpose in filing this Chapter 11 Case was litigation strategies not  
13 rehabilitation strategies; (d) there are no relevant activities the Trustee can take that a Chapter 7  
14 trustee cannot undertake; and (e) the ongoing administrative costs of the estate would be much  
15 lessened by conversion. Furthermore, as set forth in the Court Transcript, the Court has already  
16 determined that “**cause to dismiss, convert or appoint a Chapter 11 trustee or an examiner**”.

17 **The Court at the previous hearing appointed a chapter 11 trustee rather than**  
18 **converting to chapter 7 to give the UST full discretion to appoint whomever it deemed**  
19 **appropriate for this case. Thus, Mr. Sharp was appointed. However, if the bankruptcy case**  
20 **were now converted to chapter 7, The UST has the discretion of who to appoint as chapter 7**  
21 **trustee in converted cases, and one would assume that the same trustee would be appointed**  
22 **given his experience in the bankruptcy case. Mr. Maroko opined that it “usually ends up**  
23 **being” the same trustee as in chapter 11. Thus, the continued use of Chapter 11 cannot be**  
24 **justified here.**

25 Without taking into consideration the Courts ruling on March 17, 2023, there is cause  
26 under §112(b)(4)(A) if there is both (i) substantial or continuing loss to or diminution of the  
27 estate and (ii) absence of a reasonable likelihood of rehabilitation. See In re AdBrite Corp., 290  
28

1 B.R. 209, 215 (Bankr. S.D.N.Y. 2003). The two prongs for establishing cause to convert under  
2 §1112(b)(4)(A) are present here.

3 On the first prong, the section refers to either “substantial” or “continuing” in the  
4 disjunctive. Accordingly, when discussing whether there is substantial or continuing loss to or  
5 diminution of the estate, “[t]here need not be a significant diminution in the estate to satisfy Section  
6 1112(b)[1].” In re East Coast Airways, Ltd., 146 B.R. 325, 336 (Bankr.E.D.N.Y.1992); In re  
7 Kanterman, 88 B.R. 26, 29 (S.D.N.Y. 1988)(“All that need be found is that the estate is suffering  
8 some diminution in value.”); Loop Corp. v. U.S. Tr., 379 F.3d 511, 516 (8th Cir. 2004)(“In the  
9 context of a debtor who has ceased business operations and liquidated virtually all of its assets,  
10 any negative cash flow-including that resulting only from administrative expenses-effectively  
11 comes straight from the pockets of the creditors. This is enough to satisfy the first element of §  
12 112(b)(1).”); In re Rundlett, 136 B.R. 376, 380 (Bankr. S.D.N.Y. 1992). (“In the context of [a  
13 debtor living at the expense of the creditors], every dollar expended by the debtor from the [funds  
14 that are property of the estate] thereby reduces and diminishes the property of the estate.”) In re  
15 AdBrite Corp., 290 B.R. 209, 215 (Bankr. S.D.N.Y. 2003)(“Obviously, if the debtor has negative  
16 cash flow after entry of the order for relief in the chapter 11 case, the elements of § 1112(b)(1) are  
17 satisfied”) (citation omitted).

18 Here, the Debtors are no longer operating any business and are not generating any income  
19 or have any assets to sell.

20 The Monthly Operating Reports<sup>1</sup> filed in this bankruptcy case reflect that no income is  
21 being generated from the Debtor on account of a business as follows:

MONTH	Receipts	Disbursements	Gross Income	Expenses	Profit
MARCH	14,400	100	0	0	0
APRIL	18,576	5,100	0	0	0
MAY	12,661	688	0	0	0
JUNE	13,000	0	0	0	0
JULY	757,857 <sup>2</sup>	25	0	0	0

22  
23  
24  
25  
26  
27 <sup>1</sup> See MORs filed on Court docket.

28 <sup>2</sup> These funds consist primarily from a payment by LCG and rent collected by the Trustee  
on the Debtor’s real estate which is leased.

AUGUST	12,892	850	0	0	0
SEPTEMBER	15,258	1,307	0	0	0
OCTOBER	1,460,517	501	0	0	0
NOVEMBER	121,709	18,049	0	0	0
DECEMBER	2,183,590	1,264,976	0	0	0

Moreover, the costs of administering and winding up an estate are factored into the § 1112(b)(4)(A) loss analysis. See In re Brutsche, 476 B.R. 298, 305 (Bankr. D.N.M. 2012) (“professional services come at a cost, obviously, which cost needs to be factored in the calculation of gains and losses for the estate. And the hard fact is that these costs are rapidly mounting expenses for the estate that help put the estate in the position of continuing substantial losses”); In re Gateway Access Sols., Inc., 374 B.R. 556, 564 (Bankr. M.D. Pa. 2007) (evidence of “extensive administrative costs from professional fees that [were] accumulating” supported a finding of “substantial and continuing diminution of the estate”). Here, the chapter 11 administrative expenses to date appear to be very large. In fact, the large administrative costs incurred s is materially reducing the estate with no corresponding gains to offset. Surely, a Chapter 7 trustee would administer this case at less expense.

The second part of § 1112(b)(4)(A) also is easily met here, because the Debtor is being wound up and its rehabilitation in the present form is neither envisioned nor possible. The concept of rehabilitation under § 1112(b)(4)(A) is interpreted as follows: Rehabilitation of the debtor's estate, as that term is used in § 1112(b)(1), is not synonymous with reorganization as that term is used in Chapter 11. Collier on Bankruptcy explains the distinction between the terms:

“Rehabilitate” has been defined to mean “to put back in good condition; re-establish on a firm, sound basis.” Rehabilitation, as used in section 1112(b)(1), does not mean the same thing as reorganization, as such term is used in chapter 11. Since a debtor can be liquidated in chapter 11, the ability to confirm a plan of reorganization is considerably different than reaching a firm, sound financial base. Collier on Bankruptcy, ¶ 1112.03[i], p. 1112–15 (footnotes omitted). The distinction is significant. Rehabilitation of a debtor's estate implies the re-establishment of a sound financial basis, a concept which necessarily involves establishing a cash flow from which current obligations can be met.

Reorganization, on the other hand, can involve simple liquidation and distribution of assets.

1        In re Kanterman, 88 B.R. 26, 29 (S.D.N.Y. 1988). See In re Rundlett, 136 B.R. 376, 380  
2 (Bankr. S.D.N.Y. 1992) (“[r]ehabilitation does not mean the same thing as reorganization for  
3 purposes of Chapter 11 because a reorganization may include a complete liquidation”); In re  
4 AdBrite Corp., 290 B.R. 209, 216 (Bankr. S.D.N.Y. 2003) (rehabilitation “signifies that the debtor  
5 will be reestablished on a secured financial basis, which implies establishing a cash flow from  
6 which its current obligations can be met”); In re Herb Philipson's Army, 18-61376 (DD),  
7 2019 WL 11031654, at \*7 (Bankr. N.D.N.Y. Dec. 19, 2019) (“rehabilitation is a different and  
8 much more demanding standard than reorganization”).

9        Here, the Debtor has no reasonable likelihood of rehabilitation because it (i) has no  
10 business left to rehabilitate; (ii) expressly seeks to wind up; (iii) is an individual subject to many  
11 nondischargeability actions; and (iv) unlikely to be able to file a reorganization plan and be put  
12 back in good condition; re-establish on a firm, sound financial basis.

13        First, the Debtor cannot be “put back in good condition” or able to “re-establish a sound  
14 financial basis” because there is no business left to rehabilitate that would allow “establishing a  
15 cash flow from which current obligations can be met.” See In re Gonic Realty Tr., 909 F.2d 624,  
16 627 (1st Cir. 1990) (“with no business left to reorganize, Chapter 11 proceedings were not serving  
17 the purpose of rehabilitating the debtor's business”); In re Taberna Preferred Funding IV, Ltd.,  
18 594 B.R. 576, 604 (Bankr. S.D.N.Y. 2018) (“It is undisputed that [the debtor] is not an operating  
19 business, and there is therefore no rehabilitative objective that can be served by allowing a  
20 bankruptcy case to proceed”); In re Briggs-Cockerham, L.L.C., 10-34222-BJH-11, 2010 WL  
21 4866874, at \*5 (Bankr. N.D. Tex. Nov. 23, 2010) (holding that a debtor that had “no ‘hard’ assets,  
22 no operations, no employees, and no ongoing business to rehabilitate” lacked reasonable  
23 likelihood of rehabilitation); In re Bay Area Material Handling, Inc., 76 F.3d 384 (9<sup>th</sup> Cir. 1996)  
24 (the debtor’s “lack of operations, income, inventory, and employees, and its liquidation of assets all  
25 indicated ‘continuing loss to or diminution of the estate and absence of a reasonable likelihood of  
26 rehabilitation.’”).

27        Second, the Debtor lacks a reasonable likelihood of rehabilitation because it is expressly  
28 seeking to wind up because it is an individual subject to many nondischargeability actions and

1 unlikely to be able to file a reorganization plan and be put back in good condition; re-establish on  
2 a firm, sound financial basis. “[T]he primary purpose of Chapter 11 is to enable businesses to  
3 reorganize and emerge from bankruptcy as *operating enterprises*.” In re C-TC 9th Ave. P’ship,  
4 supra at 1308 (2d Cir. 1997) (emphasis added). If the debtor has the “intention to liquidate (rather  
5 than rehabilitate), [it] demonstrates that there is no likelihood of rehabilitation.” In re BH S & B  
6 Holdings, LLC, 439 B.R. 342, 347 (Bankr. S.D.N.Y. 2010). See In re Kanterman, supra at 29  
7 (S.D.N.Y. 1988) (finding that debtor’s conceded intention to liquidate evidenced lack of reasonable  
8 likelihood of rehabilitation); Loop Corp. v. U.S. Tr., 379 F.3d 511, 516 (8th Cir. 2004) (“[b]ecause  
9 the debtors here intended to liquidate their assets rather than restore their business operations, they  
10 had no reasonable likelihood of rehabilitation”).

11 Here, the Debtor has at this point given the circumstances of the bankruptcy case no  
12 intention to rehabilitate through the chapter 11 Case. This is not to say that a plan of liquidation  
13 under chapter 11 is *per se* prohibited. “Although the central purpose of Chapter 11 is to facilitate  
14 reorganizations rather than liquidations (covered generally by Chapter 7), Chapter 11 expressly  
15 contemplates liquidations.” Florida Dept. of Revenue v. Piccadilly Cafeterias, Inc., 554 U.S. 33,  
16 37 (2008) (“in some cases, [...] a debtor sells all or substantially all its assets under § 363(b)(1)  
17 (2000 ed., Supp. V) before seeking or receiving plan confirmation. In this scenario, the debtor  
18 typically submits for confirmation a plan of liquidation (rather than a traditional plan of  
19 reorganization) providing for the distribution of the proceeds resulting from the sale”). However,  
20 this is not the circumstance in the present case. See In re Glob. Emergency Res., LLC, 563 B.R.  
21 76, 84 (Bankr. S.D. Ga. 2016) (finding that there was no liquidation under Chapter 11 to be done  
22 where the debtor had liquidated all its assets prior to the filing of the plan and had no business to  
23 rehabilitate and no employees, and holding it would be the best interest of the creditors and the  
24 estate would be best served through a Chapter 7 case under those circumstances).

25 Even if the Debtor’ or Trustee filed a chapter 11 liquidation plan, conversion of the chapter  
26 11 case to chapter 7 would still be warranted. Although “[a] chapter 11 liquidation plan is  
27 permissible even though its basic premise is not to rehabilitate the bankrupt entity, [...] courts in  
28 this district have converted or dismissed chapter 11 cases” for no likelihood of rehabilitation where

1 the debtor presented a liquidation plan and sustained a negative cash flow, thereby amounting to  
2 continuing losses. In re BH S & B Holdings, LLC, 439 B.R. 342, 348 (Bankr. S.D.N.Y. 2010)  
3 (listing cases in the S.D.N.Y. that held similarly and finding no likelihood of rehabilitation  
4 existed due to the debtor's continuing losses and intention to liquidate); In re C-TC 9th Ave.  
5 P'ship, supra at 1309 (2d Cir. 1997) ("[W]hile a debtor may conclude Chapter 11 proceedings by  
6 liquidating and may even enter them with an intent to liquidate if necessary, there is no reason a  
7 debtor should be permitted to enter these proceedings without a possibility of reorganization.");  
8 Matter of Natrl Plants & Lands Mgmt. Co., Ltd., 68 B.R. 394, 396 (Bankr. S.D.N.Y. 1986)  
9 ("Liquidation is not the proper function of reorganization proceedings, but the function of Chapter  
10 7 proceedings.") (converting Chapter 11 case to Chapter 7 in which the debtor conceded that it was  
11 unable to continue in business and filed a self-liquidation plan of reorganization); In re AdBrite  
12 Corp., 290 B.R. 209, 217 (Bankr. S.D.N.Y. 2003) ("Additional factors upon which Courts  
13 have based decisions to convert or dismiss include [...] a defunct debtor incapable of  
14 reorganizing") (holding that cause existed to convert the Chapter 11 case filed by the debtor with  
15 no business, no employees, and who owned a single asset and had a negative cash flow post-  
16 petition).

17 The Debtor alleges that the only significant assets that the bankruptcy estate has to pay its  
18 creditors are real estate interests owned by the Debtor, potential payments on insurance policies  
19 the Debtor may have an interest in through LCG which is 25% owned by the Debtor, and  
20 avoidance actions and claims that may be made on behalf of the Debtor. Brad Sharp has already  
21 been appointed as the Trustee in the bankruptcy case as cause has already been found by the Court  
22 for appointment of a trustee or conversion to chapter 7, and he is pursuing the liquidation of these  
23 assets. All can equally be accomplished in a chapter 7 bankruptcy case. The only other significant  
24 asset that the Debtors estate possesses is that of the law practice of the Debtor, LKA which is not  
25 in bankruptcy and is the primary source of employment and revenue for the Debtor to pay his  
26 living expenses. The Trustee cannot practice law and run LKA. Further, the Debtor could merely  
27 resign from LKA, and either practice law at another law firm or start a new law firm. Further, any  
28 claims the Trustee may have against LKA would remain for the Trustee to pursue after conversion

1 to chapter 7. The continued use of Chapter 11 cannot be justified here as a plan of reorganization is  
2 highly unlikely at this point in time.

3 The Debtor owns a 25% membership interest in LCG, which is subject to competing  
4 creditor claims. LCG is in the business of investing in life insurance policies and, from time to  
5 time, receives benefits from such policies. To the extent LCG is required to make any payments to  
6 the Debtor LCG has already entered into a stipulation with the Trustee regarding those payments

7 Therefore, the Debtor lacks a reasonable likelihood of rehabilitation. **Thus, the continued**  
8 **use of Chapter 11 cannot be justified here.**

9 **B. The “Unusual Circumstances” Exception Does Not Apply.**

10 Section 1112(b)(1) provides for two exceptions to the mandatory conversion of the chapter  
11 11 case to chapter 7 or dismissal for cause.

12 First, Section 1112(b)(2) provides that

13 The court may not convert [or dismiss the chapter 11 case] if the court finds and  
14 specifically identifies unusual circumstances establishing that converting or  
15 dismissing the case is not in the best interests of creditors and the estate, and the  
16 debtor or any other party in interest establishes that (A) there is a reasonable  
17 likelihood that a plan will be confirmed within the timeframes established in  
18 sections 1121(e) and 1129(e) of this title, or if such sections do not apply, within a  
19 reasonable period of time; and (B) the grounds for converting or dismissing the  
20 case include an act or omission of the debtor other than under paragraph (4)(A)— (i)  
21 for which there exists a reasonable justification for the act or omission; and (ii) that  
22 will be cured within a reasonable period of time fixed by the court.

23 1112(b)(2). See In re BH S & B Holdings, LLC, 439 B.R. 342, 347 (Bankr. S.D.N.Y.  
24 2010) (quoting statute).

25 Second, Section 1112(c) provides that the court may not convert the Chapter 11 case to  
26 Chapter 7 or dismiss for cause “if the debtor is a farmer or a corporation that is not a moneyed,  
27 business, or commercial corporation, unless the debtor requests such conversion.” The Debtor is  
28 neither a farmer nor a non-commercial venture; accordingly, this exception is inapplicable.

Because “cause” for conversion exists under Section 1112(b)(4)(A) [substantial or  
continuing loss to or diminution of the estate], as per the language of the statute, the Section  
1112(b)(2) “unusual circumstances” exception simply does not apply. See In re Herb Philipson's

1 Army, supra at n. 6 (Bankr. N.D.N.Y. Dec. 19, 2019)); In re Andover Covered Bridge, LLC, 553  
2 B.R. 162, 177 (BAP 1<sup>st</sup> Cir. 2016); In re Korn, 523 B.R. 453, 465 (Bankr. E.D. Pa. 2014); In re  
3 Burgess, 2013 WL 5874616, at \*3 (Bankr. N.D.W.Va. October 30, 2013).

4 Moreover, no unusual circumstances exist here that would establish that converting the case  
5 is not in the best interests of creditors and the estate. See In re Glob. Emergency Res., LLC, 563  
6 B.R. 76, 83 (Bankr. S.D. Ga. 2016) (“While this is not a reorganization case, liquidation in a  
7 chapter 11 is not an “unusual circumstance”). Here, the Debtor does not assert a unique or special  
8 chapter 11 solution.

9 IV.

10 CONCLUSION

11 **WHEREFORE**, the Debtor respectfully requests that this Court enter an Order granting  
12 the Motion, converting the bankruptcy case to chapter 7, and granting such other and further relief  
13 as the Court deems just and proper.

14  
15 DATED: January 18, 2024

16  
17 By:   
18 LESLIE KLEIN  
19 *In pro per*  
20  
21  
22  
23  
24  
25  
26  
27  
28



**DECLARATION OF LESLIE KLEIN**

I, Leslie Klein, declare and say as follows:

1. I am the debtor in this bankruptcy case (“**Debtor**” or “**Klein**”), and I submit this declaration in support of the Motion to Convert this Chapter 11 Case to Chapter 7 (the “**Motion**”). I have personal knowledge of the facts set forth herein, if called as a witness, I could and would competently testify under oath to these facts set forth herein. If any facts are based upon information and belief, I so state.

2. In my capacity as the Debtor, I have reviewed and am readily familiar with my business affairs, and books and records, including how my business records are compiled and stored. I have also reviewed information supplied to me by my professionals. The information set forth in this declaration is based on this review of the aforementioned information and documents, and my opinion based upon my experience and knowledge. If I were called upon to testify, I could and would testify competently to the facts set forth herein. I am authorized to submit this declaration.

3. The only significant assets that the bankruptcy estate has to pay its creditors are real estate interests owned by the Debtor, potential payments on insurance policies the Debtor may have an interest in through Life Capital Group (“**LCG**”) which is 25% owned by the Debtor, and avoidance actions and claims that may be made on behalf of the Debtor. Brad Sharp has already been appointed as the chapter 11 trustee (“**Trustee**”) in the bankruptcy case as cause has already been found by the Court for appointment of a trustee or conversion to chapter 7, and he is pursuing the liquidation of these assets. All can equally be accomplished in a chapter 7 bankruptcy case. The only other significant asset that the Debtor’s estate possesses is that of the law practice of the Debtor, Les Klein & Associates, Inc. (“**LKA**”), which is not in bankruptcy and is the primary source of employment and revenue for the Debtor to pay his living expenses. The Trustee cannot practice law and run LKA. Further, the Debtor could merely resign from LKA, and either practice law at another law firm or start a new law firm. Further, any claims the Trustee may have against LKA would remain for the Trustee to pursue after conversion to chapter 7. The continued use of

Chapter 11 cannot be justified here as a plan of reorganization is highly unlikely at this point in time.

5. The Debtor is the subject of six (6) nondischargeability complaints by his various creditors. Those complaints can proceed just as expeditiously in chapter 7 as in chapter 11. The continued use of Chapter 11 cannot be justified here.

**6. The Trustee who has been appointed in chapter 11, and who has conducted a significant investigation of the Debtor can continue to be the trustee in chapter 7. The Office of the United States Trustee ("UST") has the discretion of who to appoint as chapter 7 trustee in converted cases, and one would assume that the same trustee would be appointed given his experience in the bankruptcy case.**

7. I am a 76 year old attorney and a practicing orthodox Jew very involved in that community, who has throughout his career primarily practiced in the trusts and estates area of the law. Through a successful career, I have set up many trusts and estate plans for my clients. In addition, for many clients in which I served as a trustee of their trust, I managed the assets of the trust and invested them in a number of valuable assets including insurance policies. This bankruptcy case was commenced on February 22, 2023, primarily due to a number of lawsuits commenced against the Debtor regarding the administering of his trustee duties, and also pending foreclosure actions on his real property. Further, the chapter 11 petition was filed to stop various creditors from collecting on judgments as they had perfected liens during the preference period on the Debtor's real estate, to appeal disputed State Court judgments, and to file an adversary proceeding to stop an avoidable preference in favor of a creditor, to enable all creditors to be paid equally.

8. On April 24, 2023, creditors Erica and Joseph Vago filed a Motion for Order Dismissing Debtor's Chapter 11 Bankruptcy Case (the "**Motion to Dismiss**") [Docket No. 79].

9. On May 17, 2023, at a hearing held on the Motion to Dismiss, the Court ruled that the appointment of a chapter 11 trustee, and not dismissal of the case, was in the best interests of the estate. Moreover, the Court ruled and found cause to either appoint a chapter 11 trustee or convert to chapter 7. At that hearing the Court ruled that:

1 THE COURT: So I've already found cause. There's cause to dismiss, convert or  
2 appoint a Chapter 11 trustee or an examiner. Dismissal is not going to be granted  
3 because all parties who are unsecureds need to be in the same position and given  
4 the Vagos' filing of the abstract within 90 days, those abstracts could potentially be  
5 avoided. And I hear Mr. Goe's frustration in terms of you took the laboring oar,  
6 you did all the work. That's true, but that being said the Court has to look at  
7 what's in the best interests of all creditors in the estate, not just one creditor.

8 So dismissal is not going to be authorized and appointment of an examiner is not  
9 going to be authorized because this case screams out for the Bankruptcy Code, the  
10 structure of it, and a trustee to be in place and handling everything that's going on  
11 and trying to figure out what has and, more importantly, hasn't been disclosed and  
12 what assets are available to potentially liquidate and be used to pay creditors'  
13 claims.

14 So the only issue that the Court believes is currently before it is whether or not a  
15 Chapter 11 or a Chapter -- or conversion to 7 and a Chapter 7 trustee is appropriate.

16 From what Mr. Maroko says, all parties here will have a potential say in who the  
17 Chapter 11 trustee would be. In contrast, in a Chapter 7 case nobody has a say  
18 because the Chapter 7 trustee is just automatically appointed off of the wheel. So I  
19 do see benefit to appointing a Chapter 11 trustee. It could also be a Chapter 11  
20 trustee with experience in ferreting out any type of misconduct or fraud or hidden  
21 assets when, again, when a Chapter 7 trustee is appointed, it's whomever is the next  
22 one up on the Chapter 7 wheel.

23 **And if the Chapter 11 trustee believes that there's no chance of**  
24 **reorganization, which appears potentially highly likely, given the debtor has**  
25 **negative \$35,000 in income each month, then my understanding -- and Mr.**  
26 **Maroko, please correct me if I'm wrong -- the Chapter 11 Trustee can seek to**  
27 **convert. And at that point, the same trustee, who was appointed as an 11,**  
28 **would maintain -- would stay on as the Chapter 7 trustee. Is that correct?**

MR. MAROKO: **That is mostly correct.** The -- still, discretion remains with the  
United States Trustee on the conversion, but my experience is seeing that it usually  
ends up being the same person. But it -- ultimately the decision is that of Mr.  
Anderson.

THE COURT: Okay. All right. **So based upon my analysis, again, I find**  
**there's cause to dismiss, convert or appoint a Chapter 11 trustee or an**  
**examiner.** And I find that it will be in the best interests of all creditors and the  
estate to appoint a Chapter 11 trustee.

(Transcript, page 18-20) (emphasis added) Attached hereto and incorporated herein by this  
reference as Exhibit "A" is a copy of the relevant portions of the May 17, 2023 Court transcript  
"Court Transcript").

10. On May 23, 2023, the UST filed a Notice of Appointment of Chapter 11 Trustee [Docket No. 151].

11. On May 24, 2023, the UST Filed an Application for Order Approving Appointment of Trustee and Fixing Bond [Docket No. 154], approved by order entered the same day [Docket No. 155]. On that same day, the Trustee accepted his appointment [Docket No. 156].

12. The Trustee has filed approximately fifteen (15) Motions for Rule 2004 Examinations of financial institutions and other entities in his search for relevant information and documents to proceed with claims against third parties on behalf of the bankruptcy estate. Those examinations can proceed just as expeditiously in chapter 7 as in chapter 11. The continued use of Chapter 11 cannot be justified here.

13. Further, the Debtor has no business operations other than having an “interest” in LKA and LCG. **Conversion to chapter 7 would not change the estate’s interests in those interests and claims. The continued use of Chapter 11 cannot be justified here.**

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 19 day of January, 2024, at Los Angeles, California.

  
LESLIE KLEIN

# **EXHIBIT A**

1 Honor, I was unclear about the reason that the U.S. Trustee  
2 requested a Chapter 11 trustee and I asked the same  
3 question that you asked at the beginning as to why. And I  
4 did speak with Mr. Maroko about it. Mr. Maroko explains  
5 that he wanted to give creditors more of a voice in who the  
6 trustee might be and that he would have a little bit more  
7 flexibility in that regard. And I do believe that's what  
8 the U.S. Trustee wants to do with us.

9           So for those reasons I do believe that a trustee  
10 is appropriate in this case, but given the U.S. Trustee's  
11 preference for Chapter 11 and the reason that he would give  
12 the creditors who are here today a little bit more of a  
13 say, I think that's a good reason.

14           THE COURT: Okay. Thank you.

15           MR. GOTTFRIED: Thank you.

16           THE COURT: And I'm only allowing argument here  
17 from the parties who actually filed position papers, which  
18 I believe is the appropriate way to address this motion.

19           [ So I've already found cause. There's cause to  
20 dismiss, convert or appoint a Chapter 11 trustee or an  
21 examiner. Dismissal is not going to be granted because all  
22 parties who are unsecureds need to be in the same position  
23 and given the Vagos' filing of the abstract within 90 days,  
24 those abstracts could potentially be avoided. And I hear  
25 Mr. Goe's frustration in terms of you took the laboring

1 oar, you did all the work. That's true, but that being  
2 said the Court has to look at what's in the best interests  
3 of all creditors in the estate, not just one creditor.

4 So dismissal is not going to be authorized and  
5 appointment of an examiner is not going to be authorized  
6 because this case screams out for the Bankruptcy Code, the  
7 structure of it, and a trustee to be in place and handling  
8 everything that's going on and trying to figure out what  
9 has and, more importantly, hasn't been disclosed and what  
10 assets are available to potentially liquidate and be used  
11 to pay creditors' claims.

12 So the only issue that the Court believes is  
13 currently before it is whether or not a Chapter 11 or a  
14 Chapter -- or conversion to 7 and a Chapter 7 trustee is  
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16 From what Mr. Maroko says, all parties here will  
17 have a potential say in who the Chapter 11 trustee would  
18 be. In contrast, in a Chapter 7 case nobody has a say  
19 because the Chapter 7 trustee is just automatically  
20 appointed off of the wheel. So I do see benefit to  
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22 Chapter 11 trustee with experience in ferreting out any  
23 type of misconduct or fraud or hidden assets when, again,  
24 when a Chapter 7 trustee is appointed, it's whomever is the  
25 next one up on the Chapter 7 wheel.

1 And if the Chapter 11 trustee believes that  
2 there's no chance of reorganization, which appears  
3 potentially highly likely, given the debtor has negative  
4 \$35,000 in income each month, then my understanding -- and  
5 Mr. Maroko, please correct me if I'm wrong -- the Chapter  
6 11 Trustee can seek to convert. And at that point, the  
7 same trustee, who was appointed as an 11, would maintain --  
8 would stay on as the Chapter 7 trustee. Is that correct?

9 MR. MAROKO: That is mostly correct. The --  
10 still, discretion remains with the United States Trustee on  
11 the conversion, but my experience is seeing that it usually  
12 ends up being the same person. But it -- ultimately the  
13 decision is that of Mr. Anderson.

14 THE COURT: Okay. All right. So based upon my  
15 analysis, again, I find there's cause to dismiss, convert  
16 or appoint a Chapter 11 trustee or an examiner. And I find  
17 that it will be in the best interests of all creditors and  
18 the estate to appoint a Chapter 11 trustee. ] So based upon  
19 that, Mr. Maroko, I believe that you will consult with all  
20 parties and then you will propose appointment of a  
21 particular Chapter 11 trustee. Is that correct?

22 MR. MAROKO: That is correct. What I will do  
23 this morning is send up -- lodge an order that essentially  
24 says the U.S. Trustee is directed to appoint a Chapter 11  
25 Trustee. Cause has been shown, as stated on the record,



## PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:  
FLP LAW GROUP LLP 1875 Century Park East, Suite 2230, Los Angeles, CA 90067

A true and correct copy of the foregoing document entitled (*specify*): **MOTION TO CONVERT THIS CHAPTER 11 CASE TO CHAPTER 7; MEMORANDUM OF POINTS AND AUTHORITIES AND DECLARATION OF LESLIE KLEIN IN SUPPORT THEREOF** will be served or was served (**a**) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (**b**) in the manner stated below:

I. **TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF)**: Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*), I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☐ Service information continued on attached page

### II. **SERVED BY UNITED STATES MAIL:**

On (*date*) **January 18, 2024**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

United States Bankruptcy Court  
Chambers of the Honorable Sandra Klein  
255 E. Temple St., Suite 1582  
Los Angeles, CA 90012

☒ Service information continued on attached page

III. **SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) \_\_\_\_\_, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

**January 18, 2024**  
Date

**SAFA SALEEM**  
Printed Name

  
Signature

Label Matrix for local noticing  
0973-2

Case 2:23-bk-10990-SK  
Central District of California  
Los Angeles  
Thu Jan 18 13:28:55 PST 2024

Wilmington Savings Fund Society, FSB, d/b/a  
Robertson, Anschutz, Schneid, Crane & Pa  
350 10th Avenue, suite 1000  
San Deigo, CA 92101-8705

Andor Gestetner  
c/o Law Offices of Jacob Unger  
5404 Whitsett Ave., Ste. 182  
Valley Village, CA 91607-1615

Barclays Bank Delaware  
Attn: Bankruptcy  
Po Box 8801  
Wilmington, DE 19899-8801

(p)JPMORGAN CHASE BANK N A  
BANKRUPTCY MAIL INTAKE TEAM  
700 KANSAS LANE FLOOR 01  
MONROE LA 71203-4774

Citibank  
Attn: Bankruptcy  
P.O. Box 790034  
St Louis, MO 63179-0034

Eliave Sobol  
1501 Sulgrave Ave 1000  
Baltimore MD 21209-3654

Erika and Joseph Vago  
124 N. Highland Ave  
Sherman Oaks, CA 91423

(p)FIORE RACOBS AND POWERS  
ATTN ERIN A MALONEY  
6820 INDIANA AVENUE  
SUITE 140  
RIVERSIDE CA 92506-4261

Franklin H. Menlo, Trustee  
Paul P. Young c/o Chora Young & Manasser  
650 Sierra Madre Villa Ave., Ste. 304  
Pasadena, CA 91107-2071

Los Angeles Division  
255 East Temple Street,  
Los Angeles, CA 90012-3332

Bank of America  
Attn: Bankruptcy  
4909 Savarese Circle  
Tampa, FL 33634-2413

(p)CCO MORTGAGE CORP  
10561 TELEGRAPH RD  
GLEN ALLEN VA 23059-4577

Chase Doe  
143 S. Highland Drive  
Los Angeles, CA 90036-3028

Citizens Bank, N.A.  
10561 Telegraph Rd  
Glen Allen, VA 23059-4577

Erica Vago and Joseph Vago  
c/o Brian A Procel / Procel Law, PC  
401 Wilshire Blvd, 12th Fl  
Santa Monica, CA 90401-1456

FRANCHISE TAX BOARD  
BANKRUPTCY SECTION MS A340  
PO BOX 2952  
SACRAMENTO CA 95812-2952

First Amendment Wendriger Family Trust dated  
c/o Shumaker Mallory LLP  
Clarisse Young Shumaker  
280 S. Beverly Dr., Suite 505  
Beverly Hills, CA 90212-3908

Gestetner Charitable Remainder Trus  
c/o Andor Gestetner  
1425 55th Street  
Brooklyn, NY 11219

NewRez LLC d/b/a Shellpoint Mortgage Servi  
14841 Dallas Parkway  
Suite 425  
Dallas, TX 75254-8067

Ajax Mortgage Loan Trust 2021-D, et al.  
c/o Gregory Funding LLC  
PO Box 742334  
Los Angeles, CA 90074-2334

Bank of America, N.A.  
PO Box 673033  
Dallas, TX 75267-3033

California Bank & Trust  
Po Box 711510  
Santee, CA 92072-1510

Chase Mortgage  
BK Department  
Mail Code LA4 5555 700 Kansas Ln  
Monroe, LA 71203

David Berger  
c/o Baruch C Cohen Esq  
4929 Wilshire Blvd St 940  
Los Angeles CA 90010-3889

Ericka and Joseph Vago  
c/o Brian Procel  
Procel Law  
401 Wilshire Blvd., 12th Floor  
Santa Monica, CA 90401-1456

(p)FAY SERVICING LLC  
P O BOX 814609  
DALLAS TX 75381-4609

Franklin H. Menlo Irrevocable Trust  
c/o Willkie Farr & Gallagher LLP  
Attn: Alex M. Weingarten, Esq.  
2029 Century Park East, Suite 3400  
Los Angeles, CA 90067-3020

Gestetner Charitable Remainder Unitrust  
c/o Andor Gestetner  
Michael I. Gottfried  
10345 W. Olympic Blvd.  
Los Angeles, CA 90064-2524

INTERNAL REVENUE SERVICE  
P.O. BOX 7346  
PHILADELPHIA, PA 19101-7346

J.P. Morgan Mortgage Acquisition Corp  
c/o NewRez LLC  
d/b/a Shellpoint Mortgage Servicing  
PO Box 10826  
Greenville, South Carolina 29603-0826

JPMorgan Chase Bank, N.A.  
s/b/m/t Chase Bank USA, N.A.  
c/o National Bankruptcy Services, LLC  
P.O. Box 9013  
Addison, Texas 75001-9013

Jacob Rummitz  
315 N. Martel Avenue  
Los Angeles, CA 90036-2515

Jeffrey Siegel, Successor Trustee  
of the Hubert Scott Trust  
c/o Oldman, Cooley, Sallus  
16133 Ventura Blvd., Penthouse Suit  
Encino, CA 91436-2403

(p)LOS ANGELES COUNTY TREASURER AND TAX COLLE  
ATTN BANKRUPTCY UNIT  
PO BOX 54110  
LOS ANGELES CA 90054-0110

Leslie Klein & Associates, Inc.  
c/o Parker Milliken  
555 Flower Street  
Los Angeles, CA 90071-2300

Mrc/united Wholesale M  
Attn: Bankruptcy  
P. O. Box 619098  
Dallas, TX 75261-9098

Oldman, Cooley, and Sallus  
16133 Ventura Blvd., Penthouse Suit  
Encino, CA 91436-2447

Robert & Esther Mermelstein  
c/o Baruch C Cohen Esq  
4929 Wilshire Blvd Ste 940  
Los Angeles CA 90010-3889

Sandra Layton  
161 N. Poinsettia Place  
Los Angeles, CA 90036-2805

Selene Finance  
Attn: Bankruptcy  
Po Box 8619  
Philadelphia, PA 19101-8619

Shellpoint Mortgage Servicing  
Attn: Bankruptcy  
Po Box 10826  
Greenville, SC 29603-0826

Toyota Financial Services  
Attn: Bankruptcy  
Po Box 259001  
Plano, TX 75025-9001

Toyota Lease Trust  
c/o Toyota Motor Credit Corporation  
PO Box 9013  
Addison, Texas 75001-9013

U.S. Bank National Association  
C/O Nationstar Mortgage LLC  
Attn: Bankruptcy Dept.  
PO Box 619096  
Dallas TX 75261-9096

US Bank Trust National Association, et al.  
Fay Servicing, LLC  
PO Box 814609  
Dallas, TX 75381-4609

United States Trustee (LA)  
915 Wilshire Blvd, Suite 1850  
Los Angeles, CA 90017-3560

Wilmington Savings Fund Society, FSB,  
d/b/a Christiana Trust, not individually  
but as trustee for Pretium Mortgage  
Acquisition Trust - Selene Finance LP  
3501 Olympus Blvd, Suite 500  
Dallas, TX 75019-6295

Bradley D. Sharp (TR)  
333 So. Grand Ave., Suite 4070  
Los Angeles, CA 90071-1544

ERIC J OLSON  
301 E. COLORADO BLVD  
301 E. Colorado Blvd  
SUITE 520  
Pasadena, CA 91101-1919

Jeffrey Winter  
1571 Rexford Drive  
Los Angeles, CA 90035-3109

(p)MARK SHARF  
6080 CENTER DRIVE SUITE 600  
LOS ANGELES CA 90045-1540

Michael Kogan Law Firm, APC  
11500 W. Olympic Blvd., Suite 400  
Los Angeles, CA 90064-1525

Michael Jay Berger  
Law Offices of Michael Jay Berger  
9454 Wilshire Blvd  
6th Fl  
Beverly Hills, CA 90212-2980

Reem J Bello  
Goe Forsythe & Hodges LLP  
17701 Cowan, Bldg. D  
Suite 210  
Irvine, CA 92614-6840

Robert P Goe  
Goe Forsythe & Hodges LLP  
17701 Cowan Street  
Suite 210  
Bldg D  
Irvine, CA 92614-6840

The preferred mailing address (p) above has been substituted for the following entity/entities as so specified by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g) (4).

CCO Mortgage Corp.  
Attn: Bankruptcy  
10561 Telegraph Rd  
Glen Allen, VA 23059

Chase Card Services  
Attn: Bankruptcy  
P.O. 15298  
Wilmington, DE 19850

(d)Chase Card Services  
Attn: Bankruptcy  
Po Box 15298  
Wilmington, DE 19850

Fay Servicing Llc  
Attn: Bankruptcy Dept  
Po Box 809441  
Chicago, IL 60680

Fiore Racobs & Powers  
c/o Palm Springs Country Club HOA  
6820 Indiana Ave., Ste. 140  
Riverside, CA 92506

(d)JPMorgan Chase Bank National Association  
Chase Records Center Attn:  
Correspondence Mail Code LA4-5555  
700 Kansas Lane  
Monroe LA 71203

LOS ANGELES COUNTY TREASURER AND TAX COLLECT  
ATTN: BANKRUPTCY UNIT  
PO BOX 54110  
LOS ANGELES CA 90054-0110

Mark M Sharf (TR)  
6080 Center Drive #600  
Los Angeles, CA 90045

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(u)A. Gestetner Family Trust

(u)Ajax Mortgage Loan Trust 2021-D, Mortgage-

(u)Coldwell Banker Realty

(u)Courtesy NEF

(u)Desert Sands Realty and Coldwell Banker Re

(u)Development Specialists, Inc.

(u)Gestetner Charitable Remainder Unitrust

(u)Law Office of Eric Everett Hawes

(u)Life Capital Group, LLC

(u)Real Brokerage

(u)U.S. Bank National Association, as Trustee

(u)U.S. Bank, N.A., as Trustee for Velocity C

(u)US Bank Trust National Association, Not In

(u)Adi Vendriger

(u)David Berger

(u)Erica Vago

(u)Franklin Menlo

(u)Joseph Vago

(d)Michael Jay Berger  
Law Offices of Michael Jay Berger  
9454 Wilshire Blvd  
6th Floor  
Beverly Hills, CA 90212-2980

(u)Robert & Esther Mermelstein

End of Label Matrix	
Mailable recipients	57
Bypassed recipients	20
Total	77